

Rakhee V. Patel – State Bar No. 00797213  
Phillip Lamberson – State Bar No. 00794134  
Joe Wielebinski – State Bar No. 21432400  
Annmarie Chiarello – State Bar No. 24097496  
**WINSTEAD PC**  
500 Winstead Building  
2728 N. Harwood Street  
Dallas, Texas 75201  
Telephone: (214) 745-5400  
Facsimile: (214) 745-5390  
[rpatel@winstead.com](mailto:rpatel@winstead.com)  
[plamberson@winstead.com](mailto:plamberson@winstead.com)  
[jwielebinski@winstead.com](mailto:jwielebinski@winstead.com)  
[achiarello@winstead.com](mailto:achiarello@winstead.com)

Jeff P. Prostok – State Bar No. 16352500  
J. Robert Forshey – State Bar No. 07264200  
Suzanne K. Rosen – State Bar No. 00798518  
Matthew G. Maben – State Bar No. 24037008  
**FORSHEY & PROSTOK LLP**  
777 Main St., Suite 1290  
Ft. Worth, TX 76102  
Telephone: (817) 877-8855  
Facsimile: (817) 877-4151  
[jprostok@forsheyprostok.com](mailto:jprostok@forsheyprostok.com)  
[bforshey@forsheyprostok.com](mailto:bforshey@forsheyprostok.com)  
[srosen@forsheyprostok.com](mailto:srosen@forsheyprostok.com)  
[mmaben@forsheyprostok.com](mailto:mmaben@forsheyprostok.com)

**COUNSEL FOR ROBIN PHELAN,  
CHAPTER 11 TRUSTEE**

**SPECIAL COUNSEL FOR  
ROBIN PHELAN, CHAPTER 11 TRUSTEE**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

IN RE:	§	
	§	CHAPTER 11 CASES
	§	
ACIS CAPITAL MANAGEMENT, L.P.,	§	CASE NO. 18-30264-sgj11
ACIS CAPITAL MANAGEMENT GP, LLC,	§	(Jointly Administered)
	§	
Debtors.	§	

**FIRST MODIFICATION TO THE FIRST AMENDED JOINT PLAN FOR ACIS  
CAPITAL MANAGEMENT, L.P. AND ACIS CAPITAL MANAGEMENT GP, LLC**

Robin Phelan, the Chapter 11 Trustee for Acis Capital Management, LP and Acis Capital Management GP, LLC, files this First Modification (the “First Modification”) to the *First Amended Joint Plan for Acis Capital Management, L.P. and Acis Capital Management GP, LLC* (the “Plan”) [Docket No. 441].

1. Reference is here made to the Plan for all purposes. This First Modification modifies the Plan.
2. **Modification to Section 1.07.** Section 1.07 of the Plan is hereby modified to read

as follows:

“Acis Trustee” means a trustee as may be approved by the Bankruptcy Court to serve as the trustee under the Acis Trust Agreement. Robin Phelan is proposed to serve as the Acis Trustee and he shall be entitled to receive reimbursement of reasonable, actual and necessary costs, fees (including attorneys’ fees) and expenses incurred in connection with the performance of his duties, and compensation in accordance with the market rates generally charged for his services. Robin Phelan’s current billing rate for the services to be rendered as the Acis Trustee is \$750.00 per hour.

3. **Modification to Section 1.80.** Section 1.80 of the Plan is hereby modified to read

as follows:

“Indenture Trustee” refers to US Bank solely in its capacity as Indenture Trustee under the CLO-1 Indenture, the CLO-3 Indenture, the CLO-4 Indenture, the CLO-5 Indenture and the CLO-6 Indenture, as applicable.

4. **Modification to Section 11.03.** Section 11.03 of the Plan is hereby modified to

read as follows:

**PLAN INJUNCTION. THIS SECTION IS REFERRED TO HEREIN AS THE “PLAN INJUNCTION.” EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, AS OF THE EFFECTIVE DATE ALL HOLDERS OF CLAIMS AGAINST, OR INTERESTS IN, THE DEBTORS, THE ESTATE OR ANY OF THE ASSETS THAT AROSE PRIOR TO THE EFFECTIVE DATE ARE HEREBY PERMANENTLY ENJOINED AND PROHIBITED FROM THE FOLLOWING: (a) THE COMMENCING OR CONTINUATION IN ANY MANNER, DIRECTLY OR INDIRECTLY, OF ANY ACTION, CASE, LAWSUIT OR OTHER PROCEEDING OF ANY TYPE OR NATURE AGAINST THE TRANSFEREE, THE TRANSFERRED ASSETS, THE ACIS TRUSTEE, THE ACIS TRUST, THE ACIS TRUST ASSETS, THE DEBTORS, THE ESTATE, THE REORGANIZED DEBTOR, OR THE REORGANIZED DEBTOR’S ASSETS WITH RESPECT TO ANY SUCH CLAIM OR INTEREST ARISING OR ACCRUING BEFORE THE EFFECTIVE DATE, INCLUDING WITHOUT LIMITATION THE ENTRY OR ENFORCEMENT OF ANY JUDGMENT, OR ANY OTHER ACT FOR THE COLLECTION, EITHER DIRECTLY OR INDIRECTLY, OF ANY CLAIM OR INTEREST AGAINST THE TRANSFEREE, THE TRANSFERRED ASSETS, THE ACIS TRUSTEE, THE ACIS TRUST, THE ACIS TRUST ASSETS, THE DEBTORS, THE ESTATE, THE REORGANIZED DEBTOR, OR THE REORGANIZED DEBTOR’S ASSETS; (b) THE CREATION, PERFECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST, ENCUMBRANCE, RIGHT OR**

**BURDEN, EITHER DIRECTLY OR INDIRECTLY, AGAINST THE TRANSFEREE, THE TRANSFERRED ASSETS, THE ACIS TRUSTEE, THE ACIS TRUST, THE ACIS TRUST ASSETS, THE DEBTORS, THE ESTATE, THE REORGANIZED DEBTOR, OR THE REORGANIZED DEBTOR'S ASSETS, OR (c) TAKING ANY ACTION IN RELATION TO THE TRANSFEREE, THE TRANSFERRED ASSETS, THE ACIS TRUSTEE, THE ACIS TRUST, THE ACIS TRUST ASSETS, THE DEBTORS, THE ESTATE, THE REORGANIZED DEBTOR, OR THE REORGANIZED DEBTOR'S ASSETS, EITHER DIRECTLY OR INDIRECTLY, WHICH VIOLATES OR DOES NOT CONFORM OR COMPLY WITH THE PROVISIONS OF THIS PLAN APPLICABLE TO SUCH CLAIM OR INTEREST. THE PLAN INJUNCTION SHALL ALSO BE INCORPORATED INTO THE CONFIRMATION ORDER.**

**IN ADDITION TO THE FOREGOING, IF THE PLAN IS CONFIRMED BASED ON THE TERMS AND PROVISIONS OF PLAN B OR PLAN C, THEN PURSUANT TO SECTIONS 105(a), 1123(a)(5) AND 1123(b)(6) OF THE BANKRUPTCY CODE, THE ENJOINED PARTIES (DEFINED BELOW) ARE HEREBY ENJOINED FROM: (a) PROCEEDING WITH, EFFECTUATING, OR OTHERWISE TAKING (i) ANY ACTION IN FURTHERANCE OF ANY OPTIONAL REDEMPTION, CALL, OR OTHER LIQUIDATION OF THE ACIS CLOS PREVIOUSLY OR CURRENTLY ISSUED BY ANY SUCH PARTIES AND (ii) ANY OTHER ATTEMPT TO LIQUIDATE THE ACIS CLOS BY ANY MEANS, (b) TRADING ANY ACIS CLO COLLATERAL, WHETHER IN FURTHERANCE OF ANY OPTIONAL REDEMPTION, CALL, OR OTHER LIQUIDATION OF THE ACIS CLOS OR OTHERWISE, AND (c) SENDING, MAILING, OR OTHERWISE DISTRIBUTING ANY NOTICE TO THE HOLDERS OF THE ACIS CLOS IN CONNECTION WITH THE EFFECTUATION OF ANY OPTIONAL REDEMPTION, CALL, OR OTHER LIQUIDATION OF THE ACIS CLOS, UNTIL THE EARLIER TO OCCUR OF: (x) THE DATE UPON WHICH THE ACIS TRUSTEE OBTAINS CONTROL OVER MANAGEMENT OF THE SUBORDINATED NOTES BY VIRTUE OF AVOIDING THE PREPETITION FRAUDULENT TRANSFER OF ACIS LP'S RIGHTS UNDER THE ALF PMA THROUGH THE CLAIMS, COUNTERCLAIMS, OR THIRD PARTY CLAIMS ASSERTED OR WHICH MAY BE ASSERTED IN THE HIGHLAND ADVERSARY, (y) THE DATE ON WHICH ALL ALLOWED CLAIMS AGAINST THE DEBTORS HAVE BEEN PAID IN FULL, OR (z) THREE (3) YEARS AFTER THE EFFECTIVE DATE. FOR PURPOSES OF THIS PARAGRAPH, THE TERM "ENJOINED PARTIES" SHALL INCLUDE HIGHLAND, HCLOF, CLO HOLDCO, NEUTRA, HIGHLAND HCF, HIGHLAND CLOM, THE ISSUERS AND CO-ISSUERS, AND THEIR**

**RESPECTIVE EMPLOYEES, AGENTS, REPRESENTATIVES,  
TRANSFEREES, ASSIGNS, OR SUCCESSORS.**

Notwithstanding anything to the contrary in the Plan or the Acis Trust Agreement: (a) third party professionals employed by the Acis Trustee shall not be released or exculpated from any losses, claims, damages, liabilities, or expenses arising from their duties and services provided to the Acis Trustee; and (b) any third party professionals employed by the Acis Trustee shall only be entitled to be indemnified by the Acis Trust to the extent provided by applicable law.

Notwithstanding anything to the contrary in the Plan or Confirmation Order, nothing in the Plan or in the Confirmation Order shall discharge, release, enjoin or otherwise bar (i) any liability of the Transferee, the Transferred Assets, the Acis Trustee, the Acis Trust, the Acis Trust Assets, the Debtors, the Estate, the Reorganized Debtor, or the Reorganized Debtor's assets ("Released Parties") to a Governmental Unit arising on or after the Confirmation Date with respect to events occurring after the Confirmation Date, provided that the Released Parties reserve the right to assert that any such liability is a Claim that arose on or prior to the Confirmation Date and constitutes a Claim that is subject to the deadlines for filing proofs of claim, (ii) any liability to a Governmental Unit that is not a Claim subject to the deadlines for filing proofs of Claim, (iii) any valid right of setoff or recoupment of a Governmental Unit, and (iv) any police or regulatory action by a Governmental Unit. In addition, nothing in the Plan or Confirmation Order discharges, releases, precludes or enjoins any environmental liability to any Governmental Unit that any Person other than the Released Parties would be subject to as the owner or operator of the property after the Effective Date. For the avoidance of any doubt, nothing in this paragraph shall be construed to limit the application of the Plan Injunction to any Claim which was subject to any bar date applicable to such Claim.

Dated: August 16, 2018.

Respectfully submitted,

ACIS CAPITAL MANAGEMENT, L.P.

By: /s/ Robin Phelan  
Robin Phelan  
Chapter 11 Trustee

ACIS CAPITAL MANAGMENET GP, LLC

By: /s/ Robin Phelan  
Robin Phelan  
Chapter 11 Trustee

APPROVED:

/s/ Jeff P. Prostok

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777 Main St., Suite 1290  
Ft. Worth, TX 76102  
Telephone: (817) 877-8855  
Facsimile: (817) 877-4151  
[jprostok@forsheyprostok.com](mailto:jprostok@forsheyprostok.com)  
[bforshey@forsheyprostok.com](mailto:bforshey@forsheyprostok.com)  
[srosen@forsheyprostok.com](mailto:srosen@forsheyprostok.com)  
[mmaben@forsheyprostok.com](mailto:mmaben@forsheyprostok.com)

**COUNSEL FOR ROBIN PHELAN,  
CHAPTER 11 TRUSTEE**

APPROVED:

/s/ Rahkee V. Patel

Rakhee V. Patel – State Bar No. 00797213  
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24097496  
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500 Winstead Building  
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Dallas, Texas 75201  
Telephone: (214) 745-5400  
Facsimile: (214) 745-5390  
[rpatel@winstead.com](mailto:rpatel@winstead.com)  
[plamberson@winstead.com](mailto:plamberson@winstead.com)  
[jwielebinski@winstead.com](mailto:jwielebinski@winstead.com)  
[achiarello@winstead.com](mailto:achiarello@winstead.com)

**SPECIAL COUNSEL FOR ROBIN  
PHELAN, CHAPTER 11 TRUSTEE**

### **CERTIFICATE OF SERVICE**

I hereby certify that on August 16, 2018, notice of this document was electronically mailed to the parties that are registered or otherwise entitled to receive electronic notices in this case pursuant to the Electronic Filing Procedures in this District.

/s/ Jeff P. Prostok

Jeff P. Prostok